



Ferrexpo PLC

Sustainable Growth

Kostyantyn Zhevago - CEO

September 2010



Disclaimer

This document is being supplied to you solely for your information and does not constitute or form part of any offer or invitation or inducement to sell or issue, or any solicitation of any offer to purchase or subscribe for, any shares in the Company or any other securities, nor shall any part of it nor the fact of its distribution form part of or be relied on in connection with any contract or investment decision relating thereto, nor does it constitute a recommendation regarding the securities of the Company. No information made available to you in connection with this document may be passed on, copied, reproduced, in whole or in part, or otherwise disseminated, directly or indirectly, to any other person.

Some of the information in this document is still in draft form and is subject to verification, finalisation and change. Neither the Company nor its affiliates nor advisers are under an obligation to correct, update or keep current the information contained in this document or to publicly announce the result of any revision to the statements made herein except where they would be required to do so under applicable law.

No reliance may be placed for any purpose whatsoever on the information contained in this document. No representation or warranty, expressed or implied, is given by or on behalf of the Company or any of the Company's directors, officers or employees or any other person as to the accuracy or completeness of the information or opinions contained in this document and no liability whatsoever is accepted by the Company or any of the Company's members, directors, officers or employees nor any other person for any loss howsoever arising, directly or indirectly, from any use of such information or opinions otherwise arising in connection therewith.

This presentation and its contents are confidential. By reviewing and/or attending this presentation you are deemed to accept that you are under a duty of confidentiality in relation to the contents of this presentation. You agree that you will not at any time have any discussion, correspondence or contact concerning the information in this document with any of the directors or employees of the Company or its subsidiaries nor with any of their customers or suppliers, or any governmental or regulatory body without the prior written consent of the Company.

Certain statements, beliefs and opinions in this document and any materials distributed in connection with this document are forward-looking. The statements typically contain words such as "anticipate", "assume", "believe", "estimate", "expect", "plan", "intend" and words of similar substance. By their nature, forward-looking statements involve a number of risks, uncertainties and assumptions that could actual results or events to differ materially from those expressed or implied by the forward-looking statements. These risk, uncertainties and assumptions could adversely affect the outcome and financial effects of the plans and events described herein. Statements contained in the document regarding past trends or activities should not be taken as a representation or warranty (express or implied) that such trends or activities will continue in the future. No statement in this document is intended to be a profit forecast. You should not place reliance on forward-looking statements, which speak only as of the date of this document.

You should not base any behaviour in relation to financial instruments related to the Company's securities or any other securities and investments on information until after it is made publicly available by the Company or any of their respective advisers. Any dealing or encouraging others to deal on the basis of such information may amount to insider dealing under the Criminal Justice Act 1993 and to market abuse under the Financial Services and Markets Act 2000.

Agenda

OVERVIEW



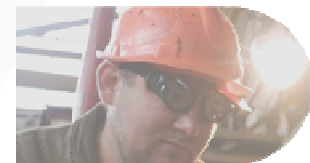
RECENT PERFORMANCE



GROWTH

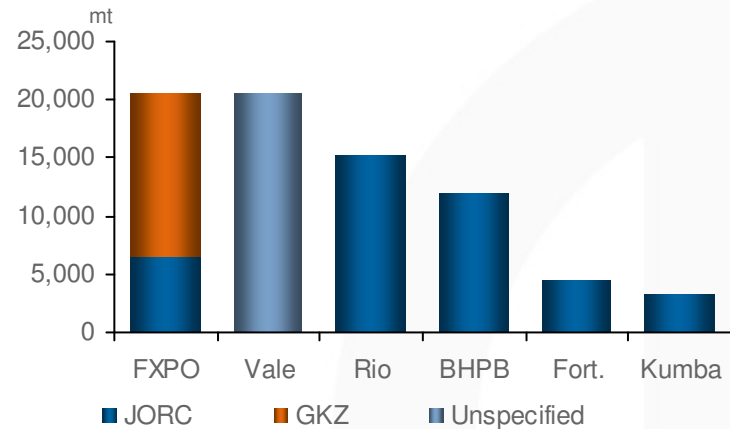


STRATEGY AND OUTLOOK



Ferrexpo at a Glance

Sizeable global iron ore resource



Source: US Bureau of Mines, FXPO, Vale, Rio, BHPB, Fortescue, Kumba

Favourable location



Source: pellet sales by volume, 1H 2010 results

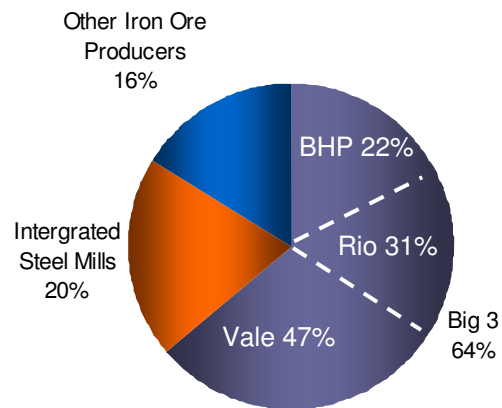
Summary statistics

	2007	2008	2009	LTM *
Production (thousand tonne)	9072	9035	8767	9529
Average DAF/FOB price (per tonne)	72.3	124.6	66.3	87.1
Average C1 cash cost (per tonne)	31.8	42.3	34.4	36.1
Average selling & distribution cost (per tonne)**	8.5	14.4	12.3	12.9
EBITDA (US\$)	246.1	503.9	138.1	292.8
Free cash flow (US\$)	139	300.3	56.4	75.6
Net debt (US\$)	117.6	220.1	257.7	256.9

Source: Company, *Last twelve months to 30 June 2010 **excluding international freight and insurance

Consolidated Industry Supply Dynamics

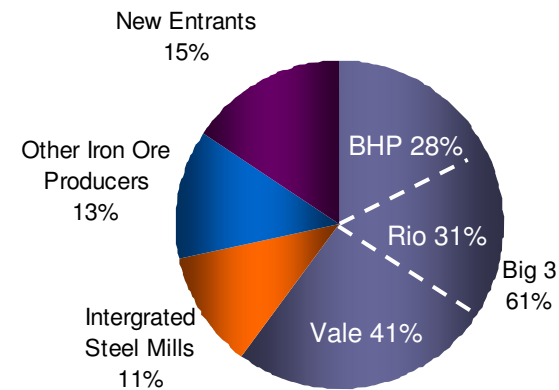
Seaborne iron ore — largest producers



Source: Metalytics

- > The 'Big 3' iron ore producers supply c.65% of the global seaborne iron ore market
 - The large suppliers managed volume and thus prices in the recent downturn
 - Ferrexpo benefits from the high degree of consolidation, selling all of its production into the market

Expected additional iron ore supply by 2015

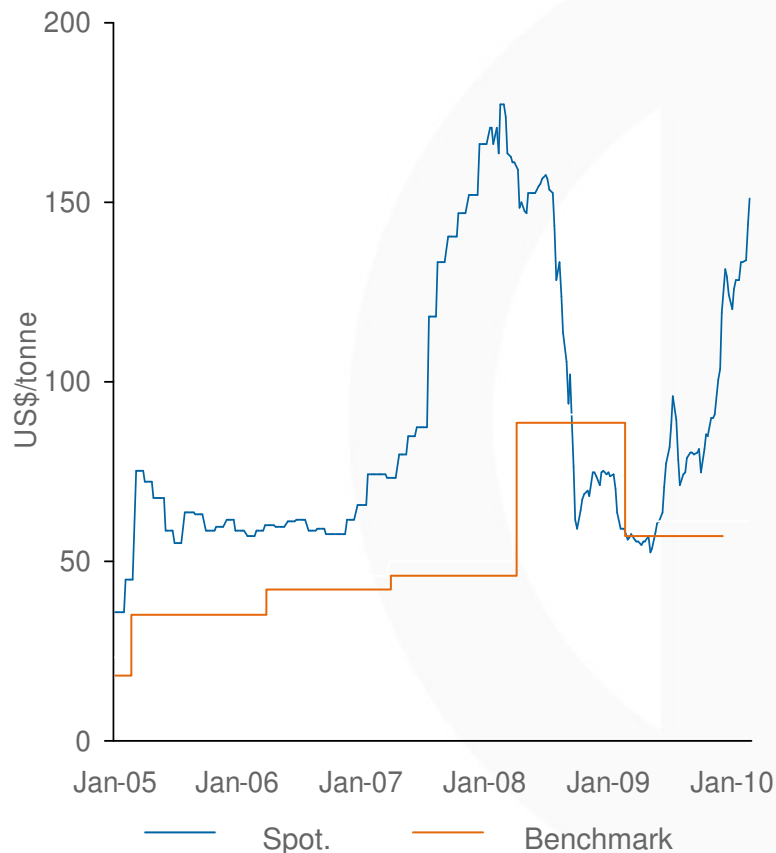


Source: Metalytics

- > 2015 world supply expected to be 2.8bn tonnes vs. 2008 1.8bn tonnes
- > Majority of new capacity is still in the hands of the 'Big 3' (Vale, Rio Tinto, BHP Billiton)

Industry Pricing in Transition

Benchmark vs. spot price

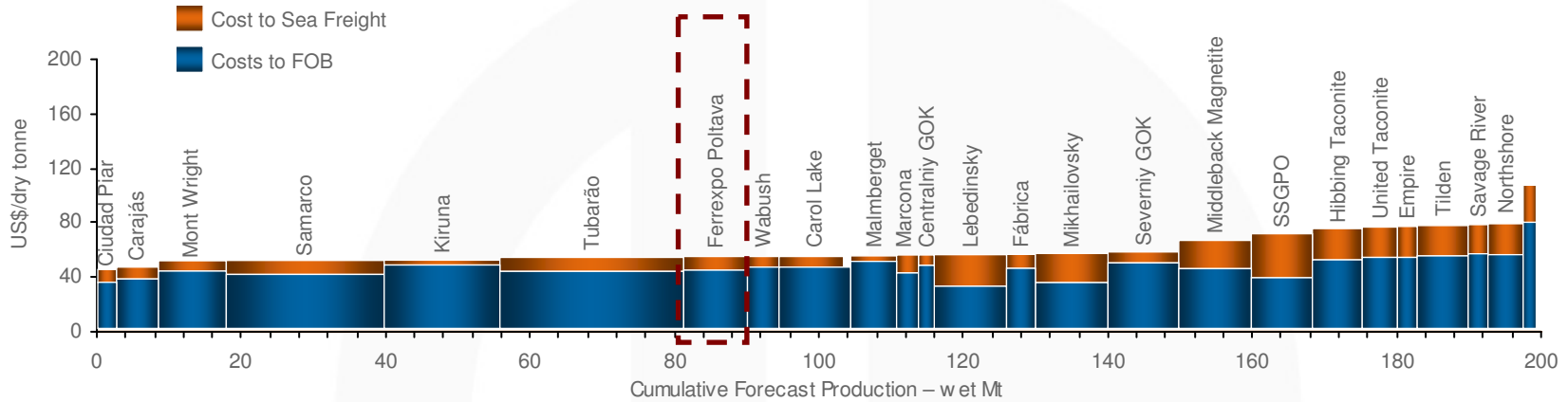


Source: Metalytics, Datastream

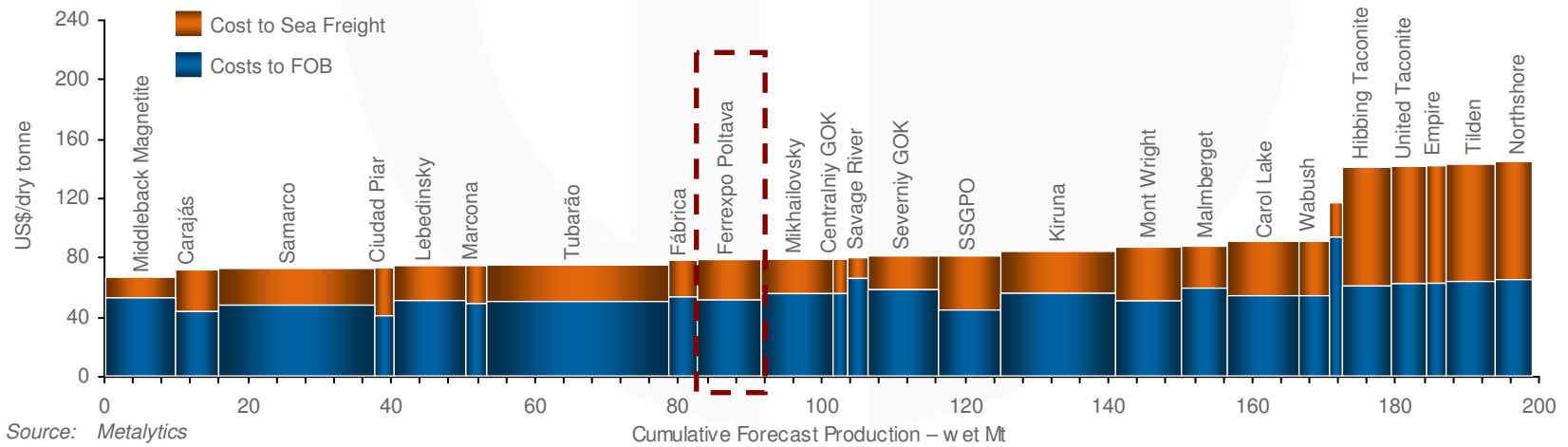
- > Seaborne iron ore prices traditionally determined on an annual basis by negotiation between major consumers and producers
- > During 2004 to 2009 imbalance of demand over supply led to sequential increases including c.90% increase in 2008
- > Global economic crisis and resultant decline in utilisation led to a c.48% decrease in pricing in 2009
- > Iron ore demand has recovered from its 2009 lows
- > Pricing mechanism is evolving as the spot market develops – Majors announced the adoption of a quarterly price mechanism
 - Globally traded spot iron ore tonnage has risen rapidly since 2001

Competitive Cost Positioning

CFR Rotterdam pellet cash costs for 2010



CFR China pellet cash costs for 2010



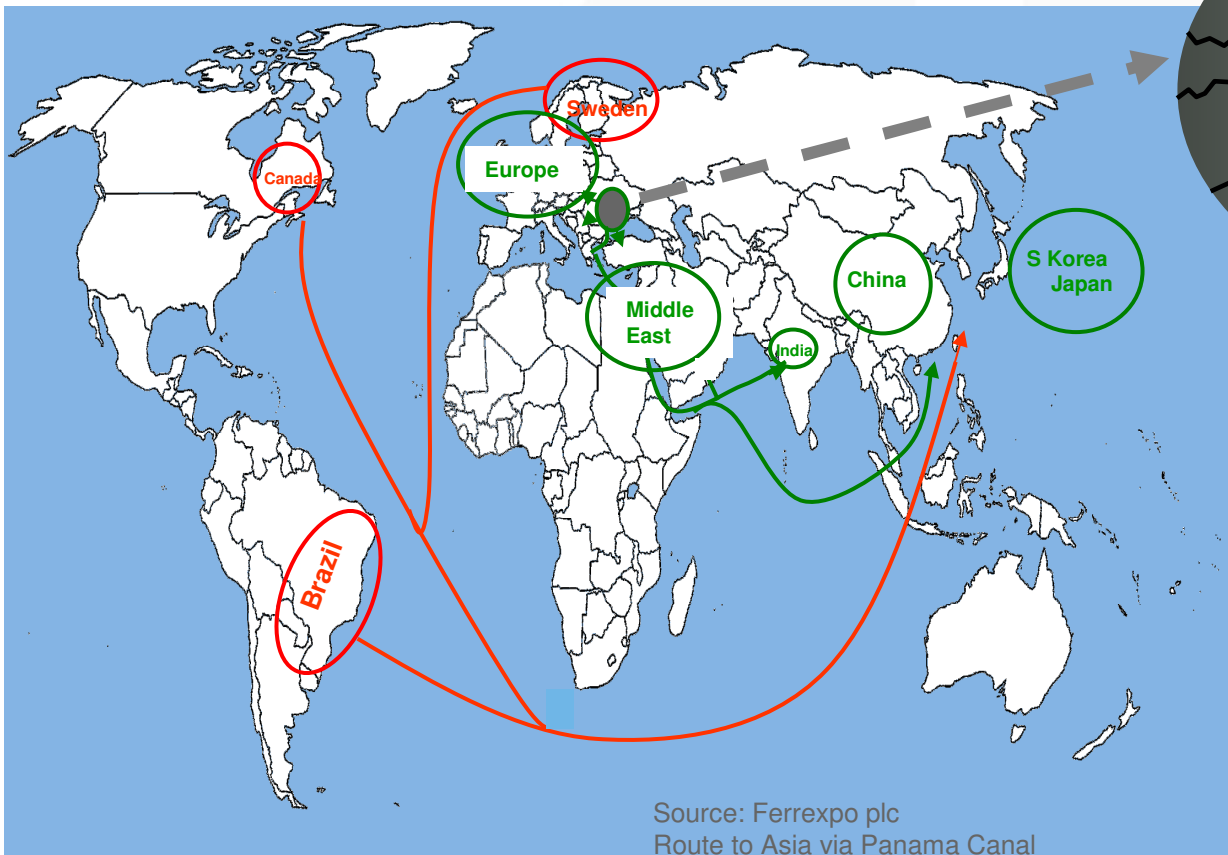
Source: *Metalytics*

Ideal Location

Ferrexpo is the lowest cost pellet supplier to:

- Central & Eastern Europe
- the Middle East

With secure access to domestic infrastructure



From:	Shipping distances* to: Shanghai Hong Kong	
Lulea (LKAB)	11,866	11,089
Seven Islands (IOC)	11,431	11,198
Tubarao (VALE)	10,857	10,075
Yuzhny (Ferrexpo)	8,379	7,602

*Nautical miles

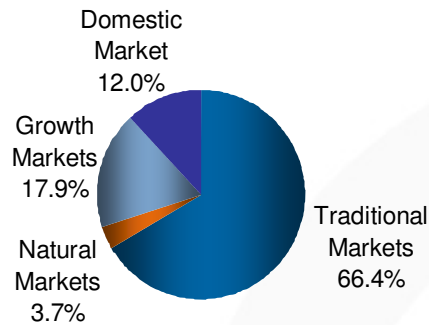
Ferrexpo has the shortest shipping distance to Shanghai and Hong Kong (excl Australia)

— Ferrexpo transportation routes — Competitor transportation routes

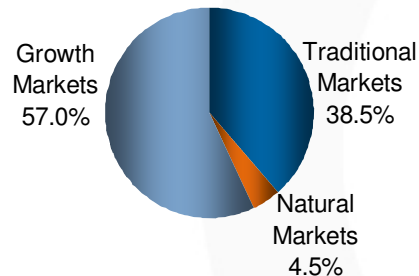


Flexible Marketing Strategy

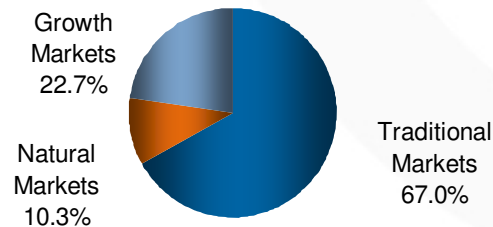
2008: 8.711kt



1H 2009: 4.194kt



1H 2010: 4.738kt



Source: Company accounts

Flexibility & relationships have been key

- > Flexible marketing and strong customer relationships allowed Ferrexpo to weather 2009 crisis better than competitors
- > Ferrexpo is seen as independent and strategic producer and important source of supply diversity
- > Focus on long term contract business — c. 90% of Ferrexpo production sold on long term agreements
- > Strong customer relationships
 - Loyalty – supply often reduced less/last
 - Effective inventory management
 - Established presence and reputation in China and growing Japan/Asia/India
- > In 1H 2010 sales profile normalised with majority to Traditional customers. But Growth and Natural markets still a third of sales.

Agenda

OVERVIEW



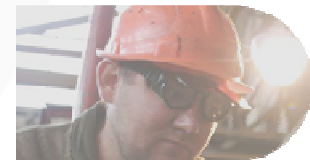
RECENT PERFORMANCE



GROWTH



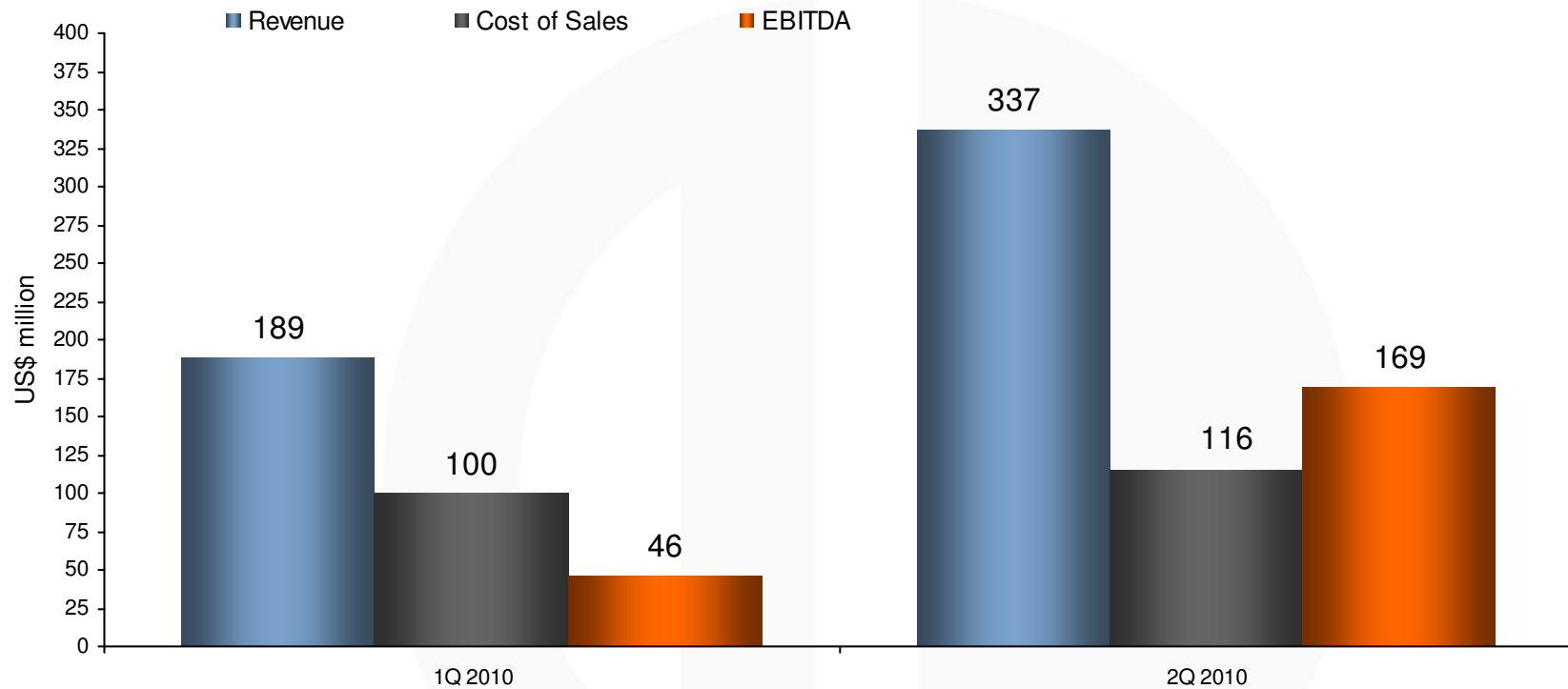
STRATEGY AND OUTLOOK



1H 2010: Strong Volume and Price Increase

- Total production at record levels up 18% to 4.886 million tonnes
- Total sales volumes up 13% to 4.738 million tonnes
- Price increases of 90% to 120% achieved in 2Q 2010
- Geographical sales mix normalised
- Over 90% of sales volume based on long term framework contracts
- Robust cost control maintained - C1 cash cost US\$37.81 per tonne
- EBITDA up 257% to US\$215 million
- Dividend maintained at 3.3 US cents per share (US\$19.4 million)

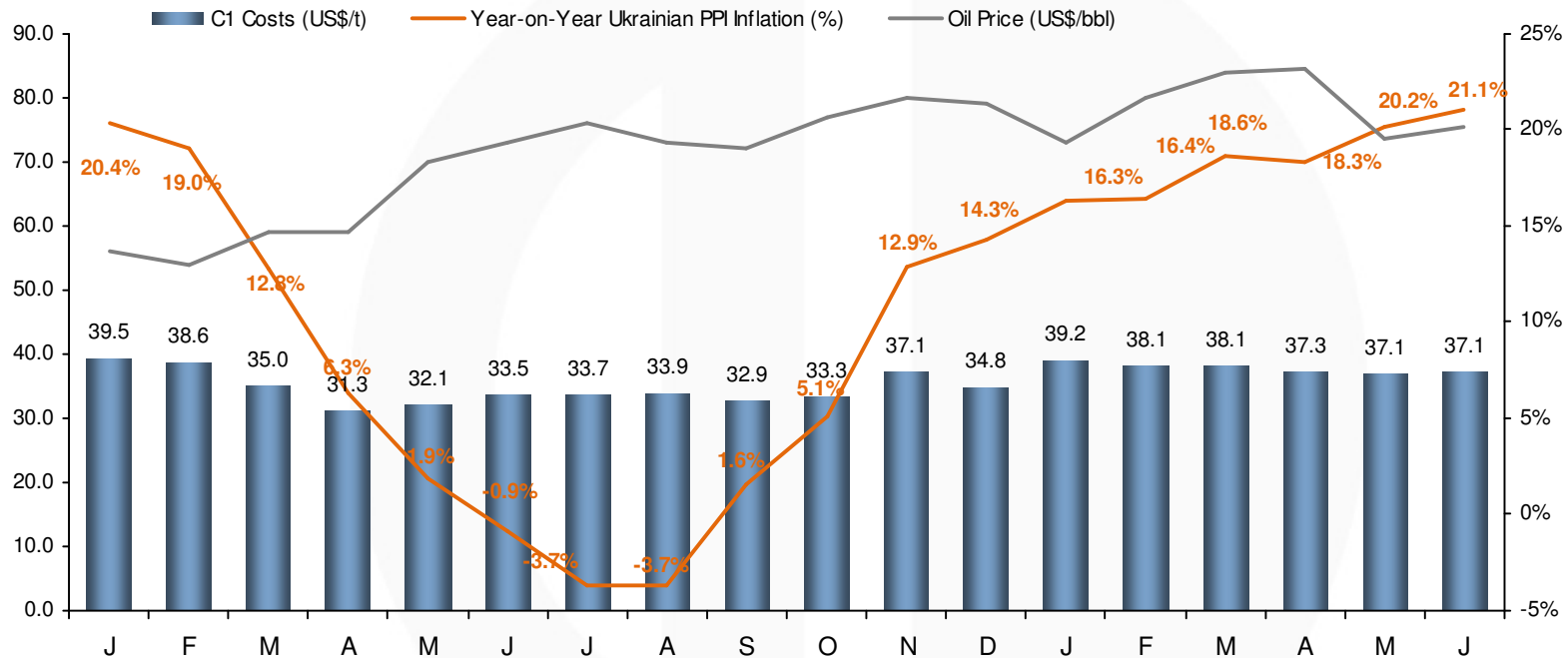
Quarter-on-Quarter Performance



Sales Volume (kt)	2,225	2,513
C1 cost (US\$/t)	38.48	37.18

C1 Costs: Robust Cost Management

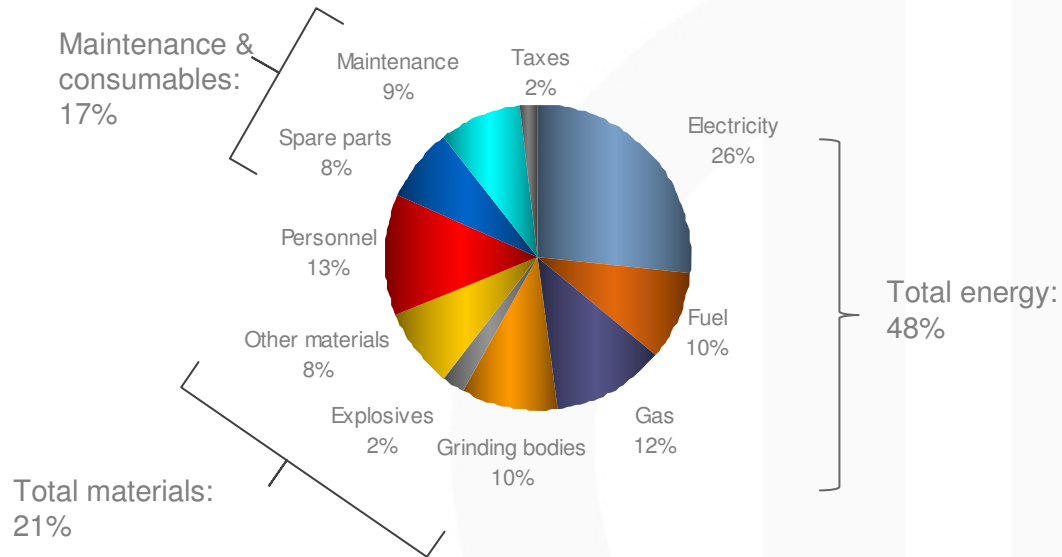
C1 Cash Costs of Production per tonne by month



- Ukrainian PPI inflation increasing mainly due to high steel and commodity prices (as measured year on year)
- Ukrainian PPI for June 2010 was 21.1% (as measured year on year)
- Ukrainian PPI inflation increased 14.3% from 31 Dec 2009 to 30 June 2010
- Hryvnia broadly stable between UAH7.9 and UAH8.0 to the US dollar

C1 Cash Cost Breakdown

C1 cash costs by input: 1H 2010 US\$37.8/t



➤ **BIP reduced consumption of:**

- Electricity per tonne of pellets by 5%
- Gas per tonne of pellets by 2%
- Grinding bodies per tonne of pellets by 2%

➤ **C1 costs continue to be stable as a result of strict cost control:**

- Production at full capacity
- Business Improvement Programme continued
- Electricity tariffs up 4.4% in 2Q
- Grinding media reflects higher steel prices
- PPI inflation increased 14.3% (Jan to June 2010)
- Hryvnia stable since December 2009 at 8UAH/\$

C1 costs are total cash costs of production of pellets from own ore, ex-works

Agenda

OVERVIEW



RECENT PERFORMANCE



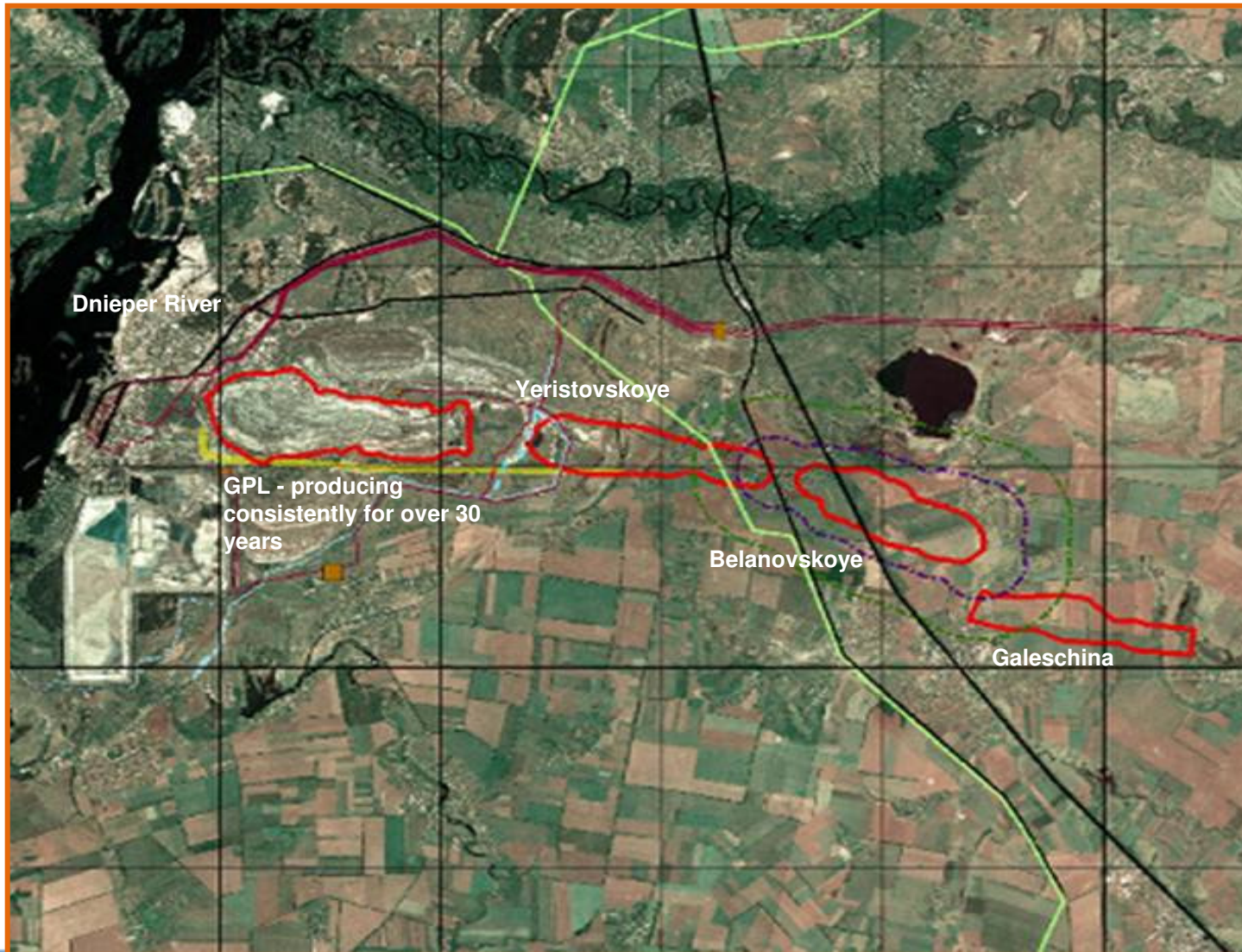
GROWTH



STRATEGY AND OUTLOOK

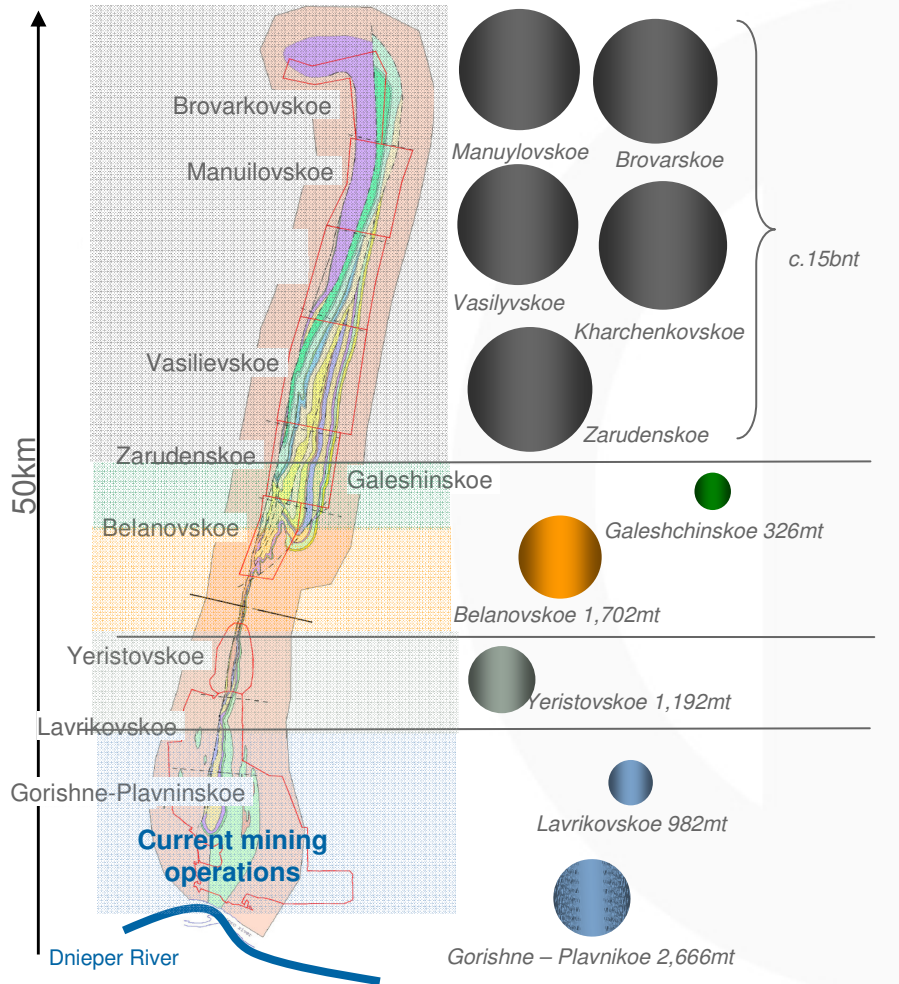


Ferrexpo Growth Strategy



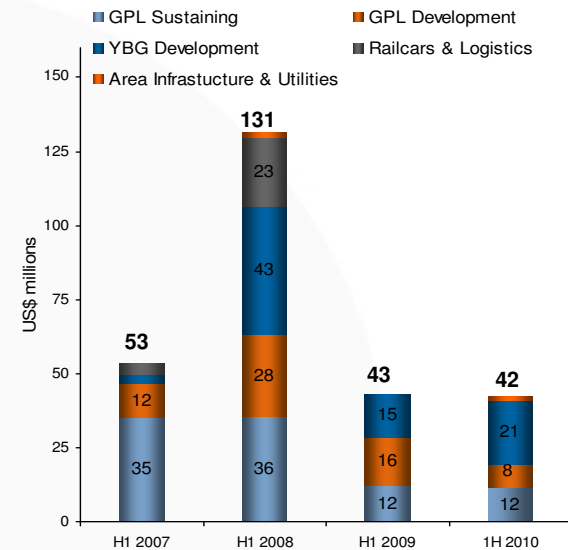
Substantial Potential for Brownfield Growth

The 50km strike – 10 deposits



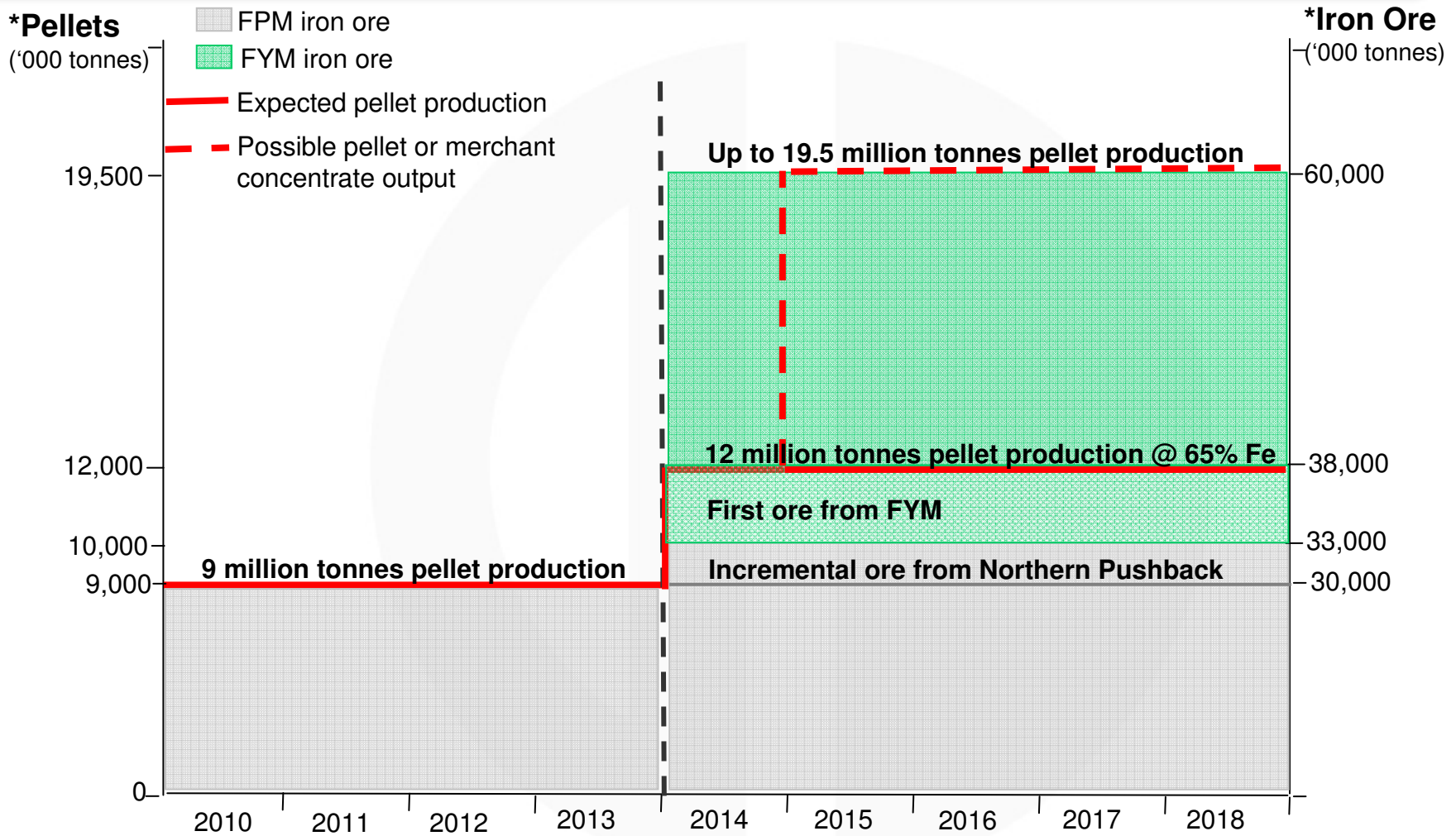
Source: Ferrexpo plc

Improving liquidity and low gearing



- Net debt at 30 June 2010 was US\$257 million – in line with December 2009
- Cash of US\$60 million at period end (31 December 2009: US\$12 million)
- Renewing principal debt facility. Terms have improved.
- Projects to be developed in phases to provide investment flexibility should market conditions or the Group's cash flow position vary from plan

Current and Future Production Volume



* Not drawn to scale

Agenda

OVERVIEW



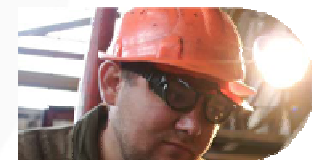
RECENT PERFORMANCE



GROWTH



STRATEGY AND OUTLOOK



Strategy and Outlook

Strategy:

- > Continue to develop our significant resource base:
 - using a phased project approach to minimise financial risk and to maximise incremental production increases
 - using cash flows and prudent balance sheet management

Outlook:

- > Continue to produce at full capacity and to manage cost position
- > Industry pricing mechanism to continue to evolve
- > Maintain a flexible marketing strategy



FERREXPO

The only pure play iron ore company in the FTSE UK indices

One of the largest iron ore resources in the world

Location, location, location

Strong strategic marketing capability and customer relationships

Prudent growth plans to ensure sustainability through-out the cycle

